

FAIR SHARE COALITION

***Restoring balance and restraint to
Wisconsin's transportation spending***



Local Roads Funding Crisis



User fees like gas taxes and car registration fees pay for most of the costs of our roads and streets.

Local Roads Funding Crisis



Over 80% of the costs of local roads are paid by non-user fees such as property taxes.

Local Roads Funding Crisis



Most user fees collected for transportation go for
state and federal highways.

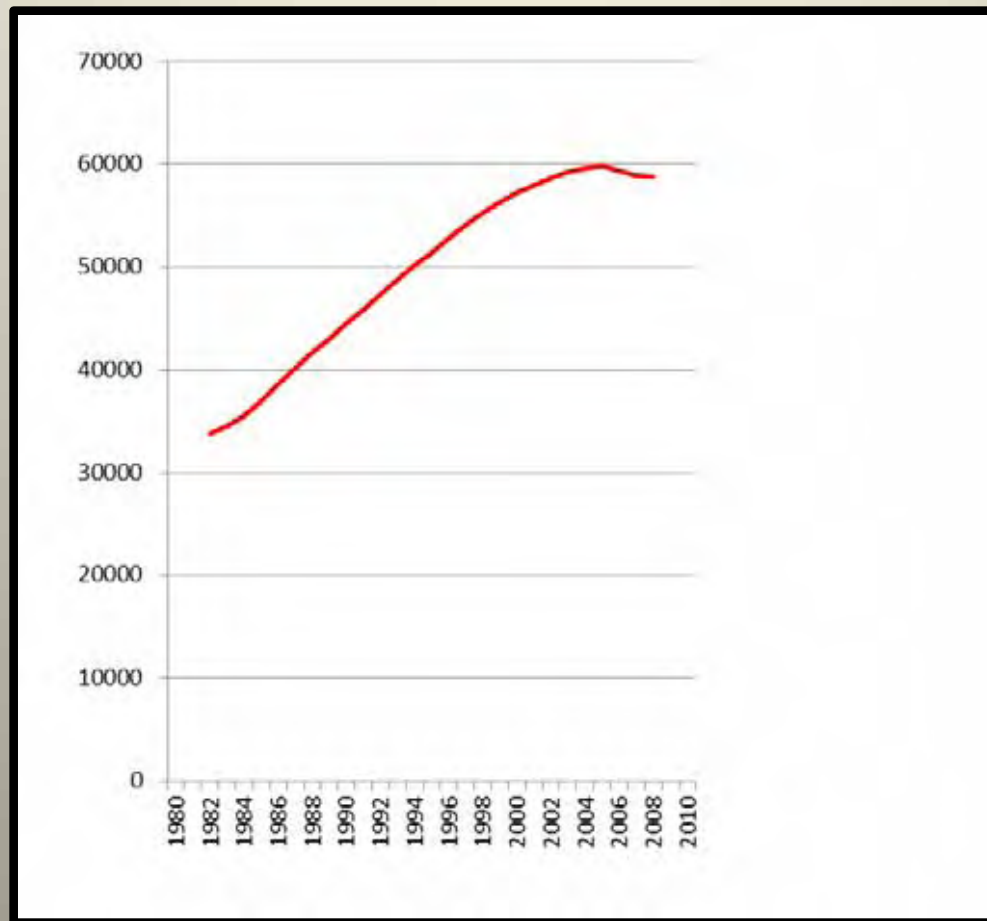
Which means less reimbursements for maintenance and local roads.

Local Roads Funding Crisis



Even worse, the Transportation Fund is shrinking while spending is increasing.

Local Roads Funding Crisis



We're driving less.

Local Roads Funding Crisis



We're driving more efficient cars.

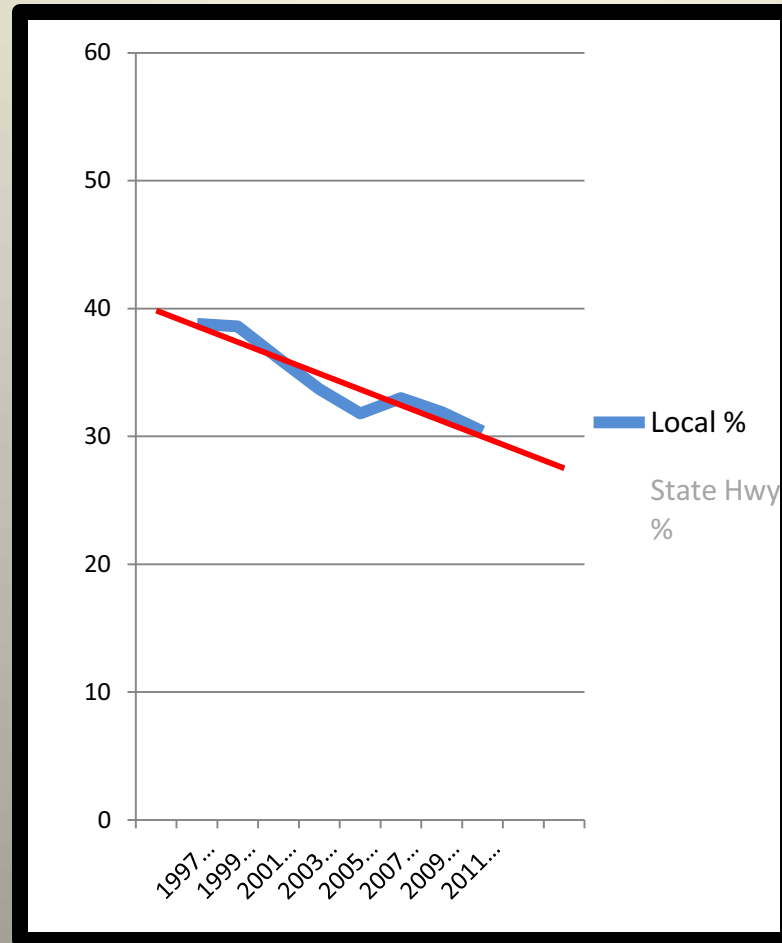
Local Roads Funding Crisis

Which means less money being collected as gas taxes for the Transportation Fund.



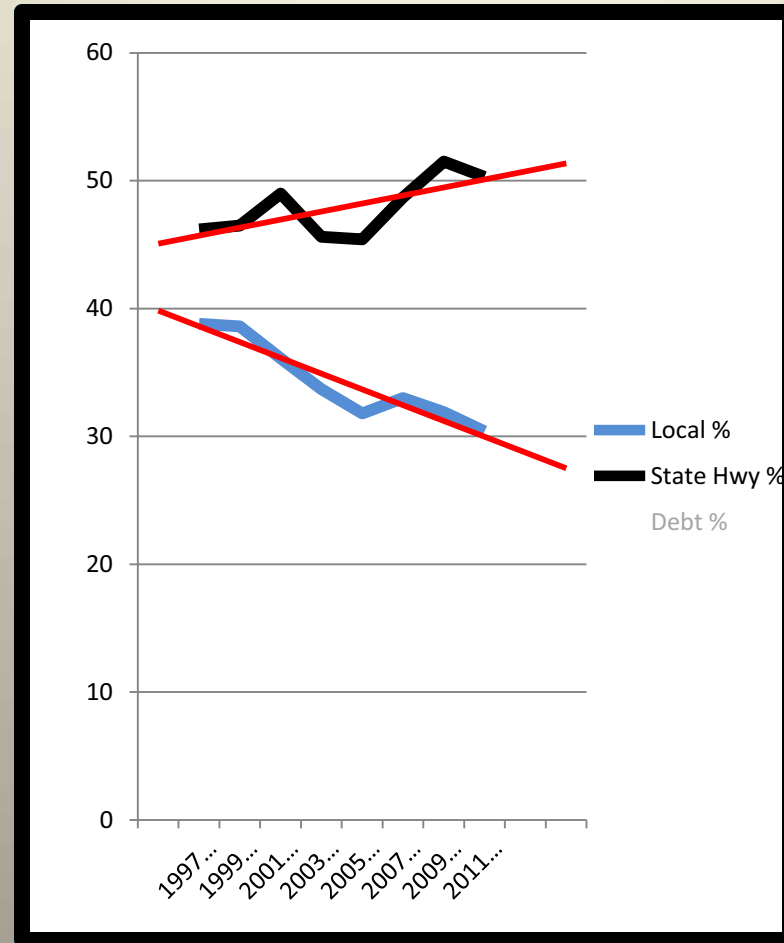
Which means less reimbursements for local roads from the Transportation Fund.

Local Roads Funding Crisis



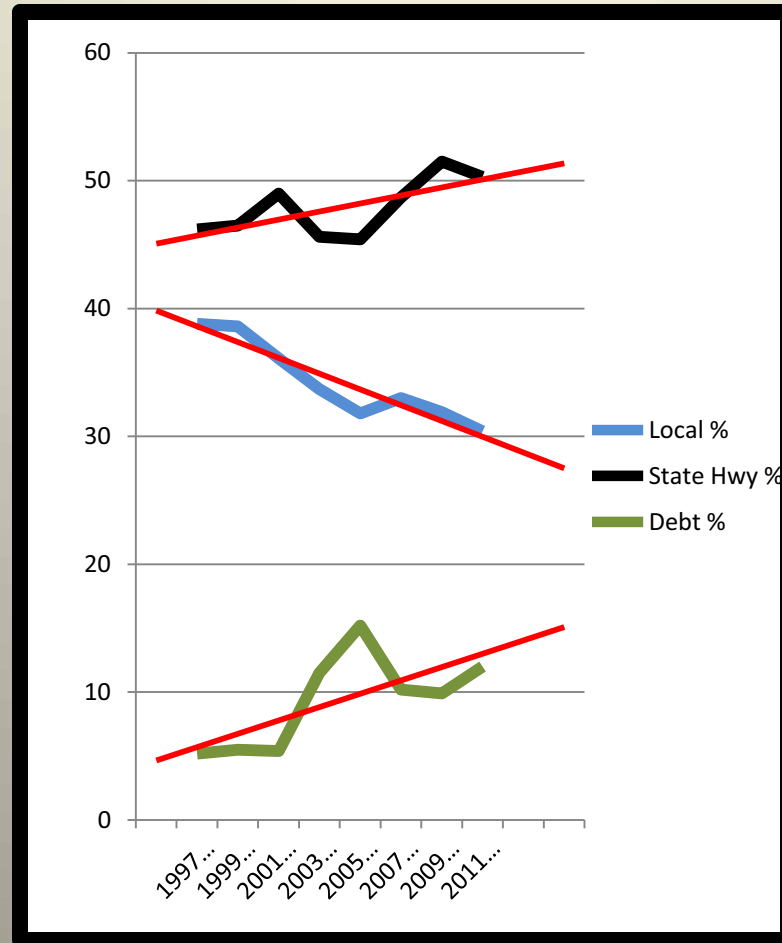
User fee reimbursements for **local roads** have gone down.

Local Roads Funding Crisis



User fee reimbursements for **local roads** have gone down.
User fee subsidies for **state highways** have increased.

Local Roads Funding Crisis



User fee reimbursements for **local roads** have gone down.

User fee subsidies for **state highways** have increased.

User fee payments for **state highway debt service** have increased.

Local units of government are eligible for
Transportation Fund revenues that cover
85% of costs of local roads

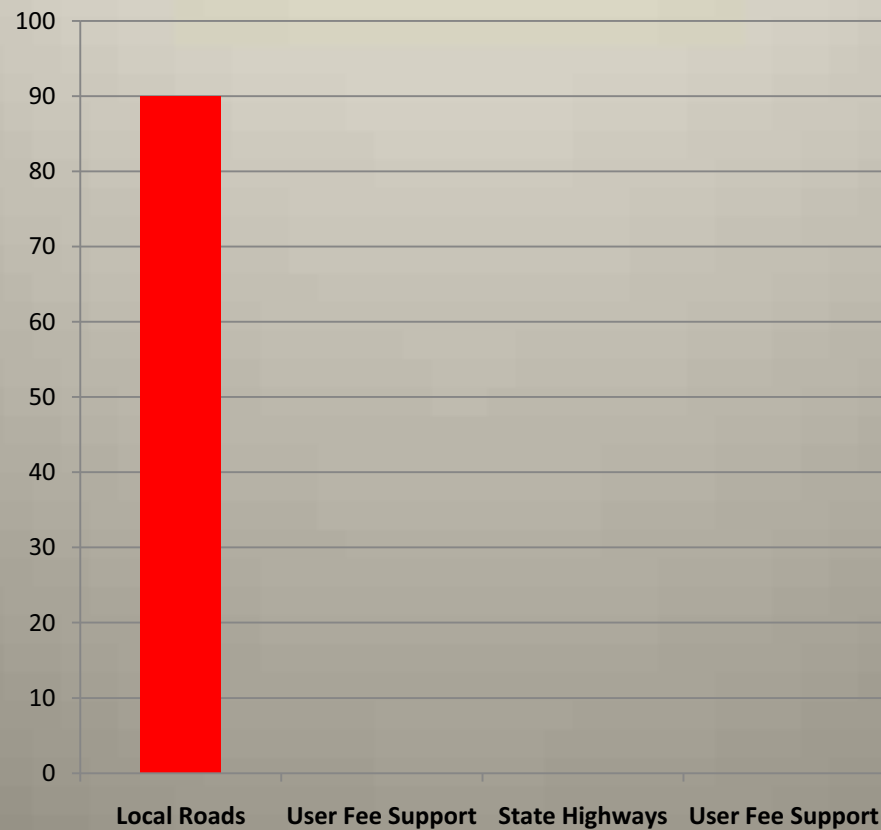
But in 2010.....

- *Towns were paid only **37%** of eligible reimbursements*
- *Counties were paid only **20%** of eligible reimbursements*
- *Cities were paid only **17%** of eligible reimbursements*
- *Local government **losing more user fee reimbursements every year***

The shortfall in user fee reimbursement is
paid for by local revenue sources.

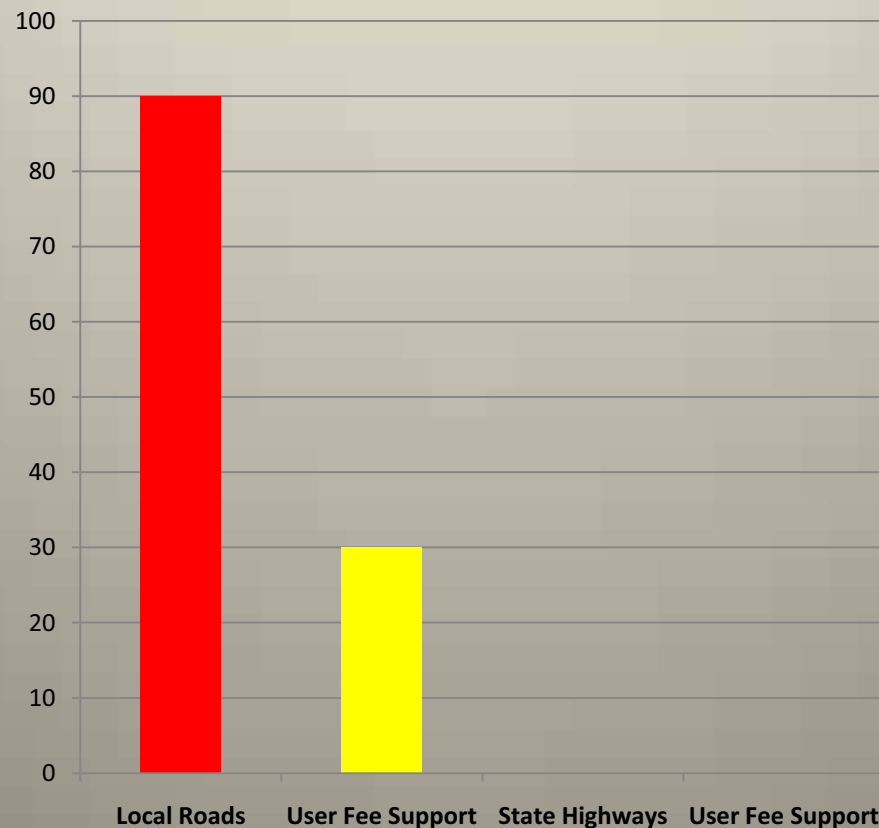
Is This Fair?

- 90% of the roads in the state are local roads



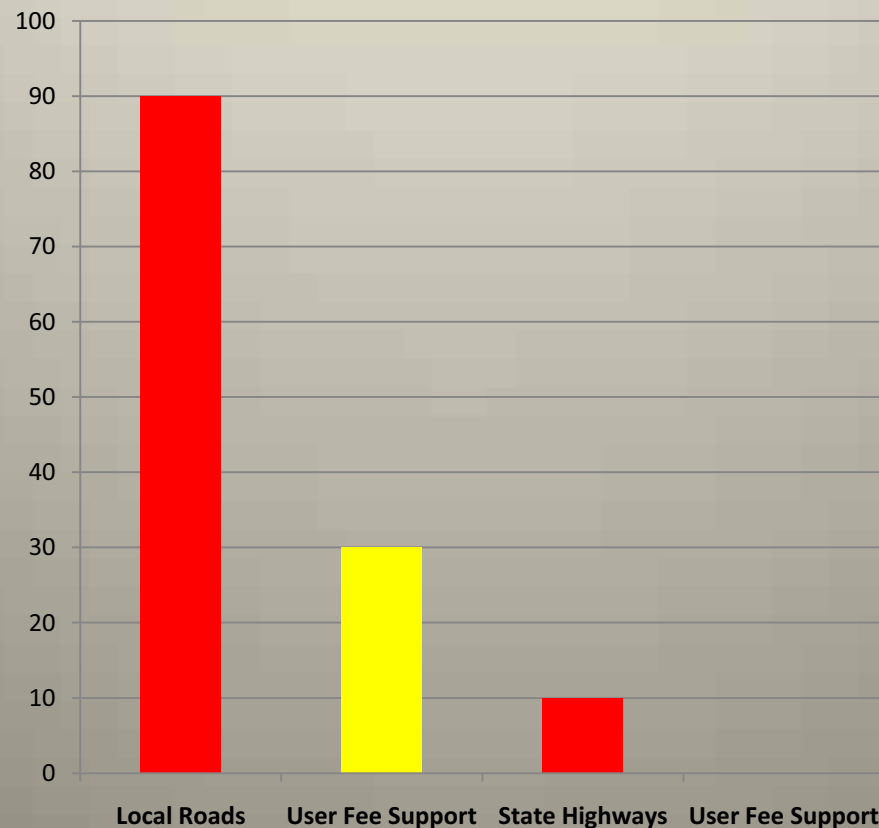
Is This Fair?

- 90% of the roads in the state are local roads
 - but they receive less than one-third of user generated fees



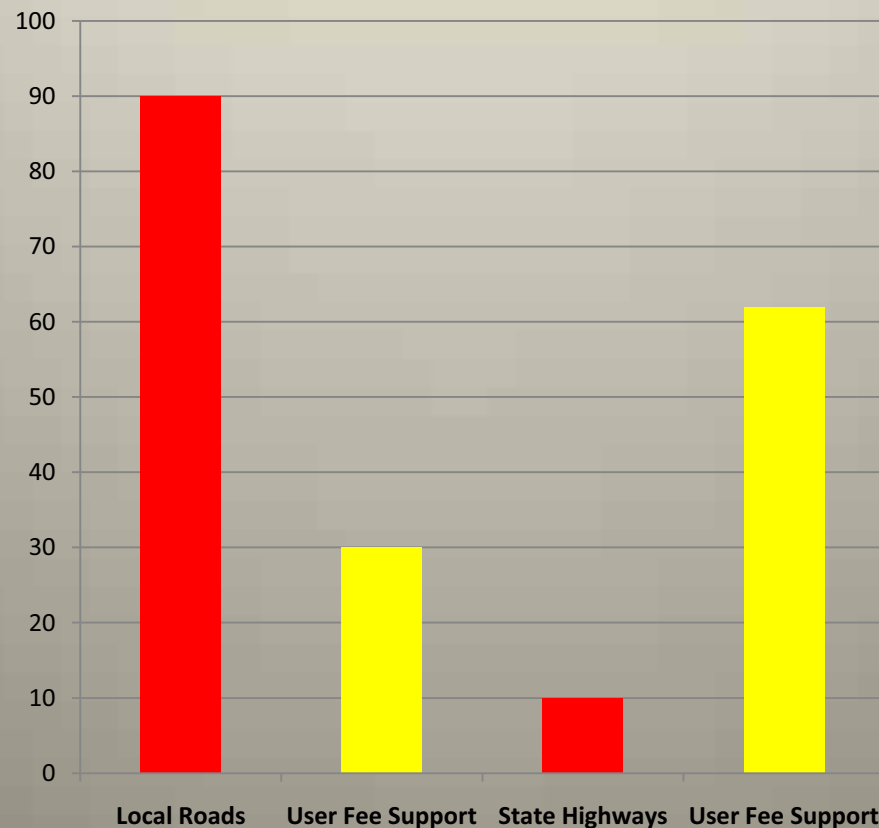
Is This Fair?

- 90% of the roads in the state are local roads
 - but they receive less than one-third of user generated fees
- 10% of the roads in the state are highways



Is This Fair?

- 90% of the roads in the state are local roads
 - but they receive less than one-third of user generated fees
- 10% of the roads in the state are highways
 - but they receive over 60% of user generated fees



Should We Allocate Funding Based on Miles Driven?

- About 60% of miles driven are on highways.
- About 40% of miles driven are on local roads.

However:

- *While highways get 62% of funds, locals get only 30% of funds*
- ***All** roads need maintenance like plowing, regardless of traffic*
- *Total miles of state highways has **decreased** while local road miles have **increased** since 1970 – yet the spending trend is the opposite*
- *VMT is going down on highways, why should spending be going up?*
- *Continually expanding highways assures that more \$\$ will be devoted to maintaining highways in the future – meaning that localities will be getting even less reimbursements in the future.*

Local Transportation Costs Are Significant

Expenditures by Local Government as a percentage of total expenses

(imagine an informative pie chart here, showing that road costs are about 20% of the typical municipality's budget)

Fiscal Crisis for Local Governments

2011-13 State Budget

- Shared Revenues *down 7%*
- General Transportation Support *down 6%*
- Transit operating support *down 10%*
- Recycling Aids *down 40%*
- Taxable property values *down*
- Levy limits are here to stay
- Few options for local user fees



A Return to the Bad Old Days?



Cities Need Safe Streets



A Cadillac Escalade sits at the bottom of a sinkhole at North and Oakland avenues in Milwaukee on July 24, 2010, after heavy rains caused the pavement to give way.

Rural Communities Need Safe Roads



*School bus crash on West Happy Hollow Road near Janesville,
September 30, 2011, injuring 5 students and 5 adults.*

Is This Good Economic Development?



Good Local Roads are Vital to Our Economy



Good Times for the Highway Builders



- Two new “megahighway” projects – over \$4 billion.
- State Highway system received *over 60%* of all Transportation Funds.
- Local Roads received *under one-third* of all Transportation Funds.

• ***Is this Fair?***

Legislative efforts have failed to
remedy this inequity



Road building lobby has far more power with
legislators than local officials.

Constitutional Amendment



Assures local government that reimbursements
will be made fairly.

Constitutional Amendment

[Article VIII] Section 11. The legislature shall distribute at least 50 percent of all funds collected by the state from any taxes or fees levied or imposed for the licensing of motor vehicle operators, for the titling, licensing, or registration of motor vehicles, and for motor vehicle fuel, to counties, cities, villages, and towns for the purposes of constructing or maintaining local roadways. In this section, the term “motor vehicle” does not include any all-terrain vehicles, snowmobiles, or “motor vehicle” does not include any all-terrain vehicles, snowmobiles, or watercraft.

One-half of Transportation Fund revenues will be returned to local units of government.



***Help us restore balance and restraint
to Wisconsin's transportation
spending.***